

Date Mailed April 14, 2000

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Wisconsin Public Service Corporation, as a Gas
Utility, for Authority to Provide Natural Gas Service in an Area
Annexed to the City of Two Rivers, Manitowoc County, Wisconsin

6690-CG-147

**NOTICE OF PROCEEDING
AND
INVESTIGATION AND ASSESSMENT OF COSTS**

THIS IS A PROCEEDING TO consider the July 12, 1999, request from Wisconsin Public Service Corporation (WPS) to approve an amended territorial agreement with Wisconsin Fuel and Light Company (WF&L) allowing WPS to provide natural gas service in a portion of the City of Two Rivers, Manitowoc County, Wisconsin. The Commission is considering this as a request under Wis. Stat. § 196.49(3) and Wis. Admin. Code § PSC 133.03(1)(j) and (2)(c).

WPS and WF&L have had a territorial agreement that assigns natural gas service areas in Manitowoc County, Wisconsin. This territorial agreement is dated August 1, 1967, (the “prior agreement”).

On July 12, 1999, WPS and WF&L submitted for Commission approval an amendment, dated June 24, 1999, to the prior agreement. This amendment modifies the service area assignments in Manitowoc County, specifically addressing the eastern ½ of section 4 of T.19N.-R.24E., which is located in the City of Two Rivers.

WPS received Commission authorization to provide natural gas service in the City of Two Rivers, on April 20, 1948, in docket CA-2482. WF&L serves one customer located in the City of Two Rivers, a customer that WF&L served under Commission authority in the Town of Two Rivers prior to the customer’s property being annexed by the City. WF&L does not have a certificate of authority to provide service to other customers in the City of Two Rivers.

The eastern ½ of section 4 of T.19N.-R.24E. was assigned to WF&L under the prior agreement. Subsequent to the date of the prior agreement, the eastern ½ of section 4 of T.19N.-R.24E. was annexed by the City of Two Rivers from the Town of Manitowoc. No current natural gas customers are located in the eastern ½ of section 4 of T.19N.-R.24E.

The City of Two Rivers is developing an industrial park in the eastern ½ of section 4 of T.19N.-R.24E. The City approached both WPS and WF&L to determine if either could provide natural gas service to the industrial park.

WPS and WF&L agreed, as set forth in the territorial agreement amendment, that it is more economical for WPS to initially provide the requested gas service, due to the location of each company's existing gas distribution facilities.

The amended territorial agreement allows WPS to serve natural gas customers in the eastern ½ of section 4 of T.19N.-R.24E. until such time as WF&L may wish to extend its mains and provide gas service to customers in this area. The amended agreement conditions this future change in service provider on WF&L receiving any necessary Commission authority to serve additional customers in the City of Two Rivers, along with other conditions regarding the transfer of customers and facilities.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the case coordinator listed below.

Questions regarding this matter may be directed to case coordinator Michael John Jaeger at (608) 267-2546.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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